

## PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF

# FAG Bearings India Limited

[Registered Office: Nariman Bhavan, 8<sup>th</sup> Floor, 227, Backbay Reclamation, Nariman Point, Mumbai – 400 0021]

This Public Announcement is being issued by ICICI Securities and Finance Company Limited ("ICICI Securities"), on behalf of INA Vermögensverwaltungsgesellschaft mbH and FAG Kugelfischer Georg Schaefer AG, pursuant to Regulations 10 and 12 and other provisions of Chapter III and in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereto ["SEBI (SAST) Regulations"] and pursuant to and in compliance with the order/ directions issued by SEBI to INA Vermögensverwaltungsgesellschaft mbH.

### 1. The Offer

1.1 INA Vermögensverwaltungsgesellschaft mbH ("INA" or the "Acquirer") is a company registered under the laws of the Federal Republic of Germany, having its principal place of business at Industriestraße 1-3, 91074 Herzogenaurach, Germany. On September 10, 2001 INA published its plan to issue a public offer for all shares of FAG Kugelfischer Georg Schaefer AG a company registered under the laws of the Federal Republic of Germany, having its principal place of business at Georg-Schaefer-Straße 30, 97421 Schweinfurt, Germany. After the antitrust authorities in the EU and the USA had cleared the takeover INA acquired 89.34% of the shares of FAG Kugelfischer Georg Schaefer AG on December 28, 2001 (hereinafter referred to as the "Transaction"). The Acquirer is a part of the INA group of companies, which has holdings and business activities worldwide.

1.2 FAG Kugelfischer Georg Schaefer AG ("FAG AG"), is a German, publicly quoted company, having several interests and holdings around the world including a 51% majority holding in an Indian company, namely FAG Bearings India Limited. INA owns 96.5% of the shares and voting rights of FAG AG. For the purpose of this offer, FAG AG is a Person Acting in Concert ("PAC") with INA.

1.3 FAG AG has a 51% owned subsidiary in India operating in the name of FAG Bearings India Limited ("FAG India" or "Target"), a company incorporated under the Indian Companies Act, 1956, and having its Registered Office at Nariman Bhavan, 8<sup>th</sup> Floor, 227, Backbay Reclamation, Nariman Point, Mumbai – 400 0021 and whose shares are listed on The Stock Exchange, Mumbai ("BSE"), and the National Stock Exchange of India Limited ("NSE"). Pursuant to the Transaction, control of FAG India has changed and vested from FAG AG to INA, in terms of Regulation 2(1)(c) read with Regulation 12 of SEBI (SAST) Regulations. Further, pursuant to the Transaction, INA is deemed to have acquired FAG AG, which is the parent company of FAG India, entitling INA to exercise 51% of the voting rights of FAG AG in FAG India in terms of Regulation 10 read with Explanation (b) to Regulation 11(3) of the SEBI (SAST) Regulations. It is hereby expressly declared that consequent to the Transaction, INA does not own and / or control any equity capital in FAG India, whether by itself or through any Person Acting in Concert with it, other than the previously mentioned equity shares constituting 51% (comprising 8,474,808 equity shares of FAG India) of the issued, subscribed and paid up equity capital of FAG India, held through its acquisition of FAG AG.

1.4 Pursuant to the requirements of the SEBI (SAST) Regulations, and the SEBI Chairman's order dated October 19, 2002 ("the Order"), INA along with FAG AG as PAC is making an offer to the public shareholders of FAG India, to acquire a maximum of 3,323,454 fully paid up equity shares of FAG India, representing 20% of the outstanding equity share capital of FAG India at a price of Rs.41.22 per equity share ("Offer Price"), payable in cash, which comprises of a base offer price of Rs.36.82 per equity share and interest of Rs.4.40 per equity share, with the interest being computed at the rate of 10% per annum for the period from January 9, 2002 to March 20, 2003, the date of actual payment of consideration for shares offered and accepted in the offer ("Offer"). Note: Under the Order, the reference date for calculation of the offer price under Regulation 20 of the SEBI (SAST) Regulations is September 10, 2001 and the Offer Price has been calculated accordingly.

1.5 All the shares tendered shall be free from liens, charges and encumbrances of any kind whatsoever.

1.6 All shares accepted pursuant to this Offer will be acquired by the Acquirer through FAG AG (the PAC) only.

1.7 The Offer is not conditional on any minimum level of acceptance.

1.8 The shares of FAG India are listed on The Stock Exchange, Mumbai ("BSE"), and the National Stock Exchange of India Ltd ("NSE"). The shares of FAG India were frequently traded on BSE and NSE within the meaning of Regulation 20 of the SEBI (SAST) Regulations in relation to the six-month period prior to September 10, 2001, the reference date under the Order. The average of the weekly high and low of the closing prices of the shares of FAG India on NSE, the exchange where the shares of FAG India were most frequently traded, for the 26 week period prior to the reference date under the Order was Rs.36.82 per share. The Offer Price of Rs.41.22 per equity share comprises of a base offer price of Rs.36.82 per equity share and interest of Rs.4.40 per equity share, with the interest being computed at the rate of 10% per annum for the period from January 9, 2002 to March 20, 2003, the date of actual payment of consideration for shares offered and accepted in the offer and is justified as per Regulation 20 (2) of the SEBI (SAST) Regulations, as applicable, and the Order.

### 2. Information on Acquirer

2.1 INA is a Company registered under the laws of the Federal Republic of Germany, having its principal place of business at Industriestraße 1-3, 91074 Herzogenaurach, Germany. The company was founded as LUGO Sechszwanzigste Vermögensverwaltungs GmbH on May 29, 2001 and changed its name to INA Vermögensverwaltungsgesellschaft mbH on August 31, 2001. INA is an unlisted company formed primarily for administration of assets.

2.2 INA-Holding Schaeffler KG with registered office at Herzogenaurach/Germany is the ultimate shareholder of INA. INA-Holding Schaeffler KG is owned by the Schaeffler family. INA Vermögensverwaltungsgesellschaft mbH is a member of the INA group of companies.

2.3 For the year ended December 31, 2001 net loss of INA was Euro ("EUR") 0.02 million equivalent to Rs.9.59 lacs and total income was Nil. As on December 31, 2001, the share capital was EUR 0.03 million equivalent to Rs.11.98 lacs and Reserves were Nil. As INA was incorporated in May 2001, there are no financial statements for the previous year. (One EUR = Rs.47.9277, Source: Bloomberg, November 25, 2002).

2.4 Besides FAG India, the INA Group of Companies operates in India through two wholly owned subsidiaries namely, INA Bearings India Private Limited and LuK India Private Limited and a 51% subsidiary namely FAG Roller Bearings Private Ltd. None of these companies are listed in India.

### 3. Information on the Person Acting in Concert

3.1 FAG AG is a company registered under the laws of the Federal Republic of Germany, having its principal place of business at Georg-Schaefer-Straße 30, 97421 Schweinfurt,

Germany. Incorporated on July 1, 1993, FAG AG manages a group of undertakings, the activity of which covers in particular manufacturing, processing and selling all types of antifriction bearings, as well as all types of machines, mechanical installations, equipment, devices, goods and tools falling within the areas of machine construction, vehicle construction, precision engineering, measurement technology and related areas, including the parts and procedures belonging thereto. Furthermore, the object of the undertaking is holding and acquiring participations, taking over management activities and rendering services including the financing and financial management in respect of undertakings which develop, manufacture or sell the aforementioned products as well as managing, hiring out and leasing property owned and held by FAG AG. Prior to the incorporation of FAG AG in its current existing legal form, it has been in existence for more than hundred years; one of the founders of one of FAG AG's predecessors invented the industrial ball grinding machine which was the basis for the industrial production of ball bearings.

3.2 FAG AG's shares are registered on German stock exchanges in Frankfurt, München, Düsseldorf, Berlin, Stuttgart, Hannover, Hamburg and Bremen.

3.3 INA today owns 96.5% of the shares and voting rights of FAG AG.

3.4 For the year ended December 31, 2001, total income of FAG AG was EUR 2,289.00 million equivalent to Rs.10,97,065.05 lacs (year ended December 31, 2000: EUR 2,276.80 million) and profit after tax was EUR 57.10 million equivalent to Rs.27,366.72 lacs (year ended December 31, 2000: EUR 47.60 million). As on December 31, 2001, the share capital was EUR 156.40 equivalent to Rs.74,958.92 lacs and reserves were EUR 430.30 million equivalent to Rs.206,232.89 lacs. For the year ended December 31, 2001, return on net worth was 10.00%, and the earning per share was EUR 0.72 equivalent to Rs.34.51. The price / earnings multiple as on November 26, 2002 based on 2001 earnings per shares was 17.71. The Book Value per share was EUR 9.52 equivalent to Rs.456.39. (One EUR = Rs. 47.9277, Source: Bloomberg, November 25, 2002).

### 4. Information on FAG India

4.1 FAG Bearing India Limited, a company incorporated under the Companies Act, 1956, is a public limited company, having its Registered Office at Nariman Bhavan, 8th Floor, 227, Backbay Reclamation, Nariman Point, Mumbai – 400 0021.

4.2 FAG India was incorporated on April 27, 1962 as "Precision Bearings India Limited". Subsequently its name was changed to "FAG Precision Bearings Limited" on May 20, 1986 and finally to "FAG Bearings India Limited" on May 5, 1999.

4.3 The subscribed and paid up voting equity share capital of FAG India as at December 31, 2001 is Rs.166 million comprising 16,617,270 fully paid-up equity shares of Rs.10/- each.

4.4 FAG India is engaged in the business of manufacturing and dealing in ball and roller bearings and components. FAG India, established in 1962, has been in existence for forty years. It has one manufacturing plant at Vadodara, Gujarat.

4.5 The shares of FAG India are listed on BSE and NSE.

4.6 Turnover from operations and profit after tax for the year ended December 31, 2001, were Rs.22,810.10 lacs (year ended December 31, 2000: Rs.21,008.55 lacs) and Rs. 1,501.82 lacs (year ended December 31, 2000: Rs.1,287.67 lacs), respectively. As on December 31, 2001, the equity share capital was Rs.1,661.73 lacs and reserves and surplus were Rs.7,211.26 lacs (year ended December 31, 2000: Rs.7,098.19 lacs). As on the date of this Public Announcement, there are no outstanding partly paid up shares. For the year ended December 31, 2001, return on net worth was 16.93%, and the earning per share was Rs.9.03. The price / earnings multiple as on November 26, 2002 based on 2001 earnings per shares was 5.90. The book value per share as on December 31, 2001 was Rs.51.29.

### 5. Reasons for the Offer and Future Plans

5.1 The Offer to the shareholders of FAG India is made pursuant to the Order with respect to the indirect acquisition of shares in, and change in control of FAG India pursuant to the Transaction, and in compliance with SEBI (SAST) Regulations.

5.2 The Acquirer does not currently have any plans to dispose off or otherwise encumber any assets of FAG India in the two years from the date of closure of the Offer, except in the ordinary course of business of FAG India and / or to the extent required for the purposes of restructuring, rationalizing and / or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of FAG India. The Board of Directors of FAG India will take appropriate decisions in these matters, as per the requirements of business and in line with opportunities or changes in the economic scenario, from time to time.

### 6. Statutory Approvals & Conditions of the Acquisition and Offer

6.1 The Offer is subject to the following statutory and regulatory approvals and clearances required by the PAC to acquire shares tendered pursuant to the Offer:

i) Approval of the Foreign Investment Promotion Board ("FIPB") or any other appropriate authority of the Government of India.

ii) Approval of Reserve Bank of India ("RBI") under the Foreign Exchange Management Act, 1999 ("FEMA").

As on date there are no other statutory approvals required, other than those indicated above. The Acquirer will not proceed with the Offer in the event the statutory approvals indicated above are refused in terms of regulation 27 of SEBI (SAST) Regulations.

6.2 The PAC will make the requisite applications to obtain permission for the acquisition of shares.

6.3 In case of delay in receipt of statutory approvals beyond March 20, 2003, SEBI has a power to grant extension of time to Acquirers for payment of consideration to shareholders, subject to the Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of regulation 22(12) of SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default by the Acquirer/ PAC in obtaining the requisite approvals, regulations 22(13) of SEBI (SAST) Regulations will become applicable.

### 7. Delisting Option to the Acquirer in terms of Regulation 21(3)

7.1 Pursuant to this Offer the public shareholding will not be reduced to 10% or less of the voting capital of FAG India and therefore Regulation 21(3) of the SEBI (SAST) Regulations is not applicable.

### 8. Funding Arrangement

8.1 The total fund requirement for the acquisition of 3,323,454 equity shares held by Public Shareholders in FAG India at Rs.41.22 per share is Rs.136,992,774, being the aggregate amount of Rs.122,369,576 together with interest of Rs.14,623,198 at the rate of 10% per annum simple interest from January 9, 2002 to March 20, 2003, the date of actual payment of consideration. Deutsche Bank having its office at Karolinenstraße 30, 90402 Nürnberg, Germany have certified vide their letter dated November 28, 2002, that FAG AG has adequate resources to meet the financial obligations relating to the Offer. The Manager to the Offer is satisfied about the ability of INA to implement the Offer through FAG AG in accordance with the SEBI (SAST) Regulations.

8.2 In accordance with Regulation 28 of the SEBI (SAST) Regulations, FAG AG has created an Escrow Account in the form of a Bank Guarantee, issued by Deutsche Bank having its office at Hazarimal Somani Marg, Fort, Mumbai 400 001, India, valid until March 20, 2003 in favour of ICICI Securities, the Manager to the Offer for an amount of Rs.34.25 million being 25% of the total consideration payable under this Offer. The Manager to the Offer has been authorized to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.

8.3 Further, FAG AG has also made a cash deposit of EUR 35,000 in a bank account with Deutsche Bank having its office at Karolinenstraße 30, 90402 Nürnberg Germany being in excess of 1% of the total consideration payable under this Offer. The Manager to the Offer has been authorized to realize the value of the bank account in terms of the SEBI (SAST) Regulations. On receipt of the requisite approval from Reserve Bank of India, 1% of the total consideration payable under this Offer will be transferred from the aforesaid bank account to an account with the Deutsche Bank branch located in India having its office at Hazarimal Somani Marg, Fort, Mumbai 400 001.

### 9. Other Terms of the Offer

9.1 A Letter of Offer specifying the detailed terms and conditions of this Offer, together with a Form of Acceptance-cum-Acknowledgement will be mailed to the shareholders of FAG India whose names appear on the Register of Members of FAG India and the owners of the shares of FAG India whose names appear as beneficiaries on the records of the respective Depositories, at the close of business hours on December 23, 2002 (the "Specified Date"), except to the PAC.

9.2 Shareholders who hold shares in physical form and wish to tender their shares will be required to send the Form of Acceptance-cum-Acknowledgement, Original share certificate(s) and Transfer deed(s) duly signed to MCS Limited, Sri Venkatesh Bhavan, Plot No. 27, Road No. 11, MIDC Area, Andheri (East), Mumbai 400 093, India, acting as the Registrar to the Offer (the "Registrar to the Offer" or "MCS"), either by hand delivery during business hours on weekdays or by registered post so that the same are received on or before the close of the Offer, i.e. by February 18, 2003 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance-cum-Acknowledgement.

9.3 The Registrar to the Offer has opened a special depository account with Deutsche Bank, as the Depository Participant in National Securities Depository Limited. ("NSDL") styled "MCS Ltd - Escrow A/c FAG India Open Offer". The DP ID is IN300167 and Beneficiary Client ID is 10011228. Shareholders having their beneficiary account in Central Depository Services India Limited ("CDSL") have to use inter-depository delivery instruction slip for the purpose of crediting their shares in favour of the special depository account with NSDL.

9.4 Beneficial owners (holders of shares in Dematerialised form) who wish to tender their shares will be required to send their Form of Acceptance-cum-Acknowledgement along with a photocopy of the delivery instructions in "off-market" mode or counterfoil of the delivery instructions in "off-market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of the above mentioned special depository account, to the Registrar to the Offer - MCS Limited, Sri Venkatesh Bhavan, Plot No. 27, Road No. 11, MIDC Area, Andheri (East), Mumbai 400 093, India, either by hand delivery during business hours on weekdays or by registered post so as to reach on or before the close of the Offer, i.e. by February 18, 2003 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance-cum-Acknowledgement. Beneficial owners should ensure to credit their shares in favour of the special depository account before the closure of the Offer.

9.5 All owners of shares, registered or unregistered, except the PAC are eligible to participate in the Offer anytime before closure of the Offer. Unregistered owners can send their applications in writing to the Registrar to the Offer on a plain paper stating the name, address, no. of shares held, no. of shares offered, distinctive nos., folio no., together with the original share certificate(s), transfer deeds and the original contract note issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered owners.

9.6 Owners of shares who have sent their shares for transfer should enclose, Form of Acceptance-cum-Acknowledgement duly completed and signed, copy of the letter sent to FAG India for transfer of shares and valid share transfer form(s). Shareholders who have sent their physical shares for dematerialization need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in the Escrow Account should be received on or before the date of closure of the Offer, i.e. by February 18, 2003, else the application would be rejected.

9.7 In case of non-receipt of the Letter of Offer, the eligible persons may send their consent, to the Registrar to the Offer, on a plain paper stating the name, Address, No. of shares held, No. of shares Offered, along with the documents as mentioned in 9.5 above, so as to reach the Registrar to the Offer on or before the close of the Offer, i.e. by February 18, 2003 or in the case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, No. of Shares held, No. of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "off-market" mode or counterfoil of the delivery instruction in the "off-market" mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e. by February 18, 2003.

9.8 In addition to the above mentioned address, all owners of shares of FAG India, registered or unregistered who wish to avail of and accept the Offer can also hand deliver the Form of Acceptance-cum-Acknowledgement along with all the relevant documents at the collection centre below in accordance with the procedure as set out in the Letter of Offer. The centre mentioned herein below would be open on all days (excluding Sundays and bank holidays) as follows: Monday to Friday - 10.00 a.m. to 1.00 p.m. and 2.00 p.m. to 4.00 p.m.; Saturday – 10.00 a.m. to 1.00 p.m.

MCS Limited:  
C/o, Ghia Textile Products Co. Agra Building, 1<sup>st</sup> floor, Room No. 5, above Bank of Baroda, University Branch, 121, M G Road, Fort, Mumbai 400 093, India  
Contact person – Mr. Rajendra G, Tel. No. – (022) 2269 1266, Fax No. – (022) 2269 1567

9.9 The Registrar to the Offer will hold in trust the shares/share certificates, shares lying in the credit of the special depository account, Form of Acceptance-cum-Acknowledgement, if any, and the transfer form on behalf of the shareholders of FAG India who have accepted the Offer till the cheques/drafts for the consideration and / or the unaccepted shares/share certificates are despatched/returned to the shareholders by registered post latest by March 20, 2003.

9.10 The payment of consideration for accepted applications will be made by the Acquirer in cash through crossed account payee cheque, sent by registered post for amounts exceeding Rs.1,500/- and UPC otherwise.

9.11 Any equity shares of FAG India that are subject matter of litigation or are held in abeyance due to pending court cases, wherein the shareholder(s) of FAG India may be precluded from transferring the shares during pendency of the said litigation are liable to be rejected in case directions/orders regarding these shares are not received together with the shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible would be forwarded to the concerned statutory authorities for further action at their end.

9.12 As per the provisions of Section 196D(2) of the Income Tax Act, 1961 ("Income Tax Act"), no deduction of tax at source shall be made before remitting the consideration for equity shares tendered under the offer by Foreign Institutional Investors ("FIIs"). As defined in Section 115 AD of the Income Tax Act. However, while tendering their shares under the Offer, NRIs, QCBs and other non resident shareholders will be required to submit a No Objection Certificate (NOC) or Tax clearance certificate indicating the

amount of tax to be deducted by the Acquirer before remitting the consideration from Income Tax authorities under the Income Tax Act. In case the aforesaid NOC or Tax clearance certificate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders, on the entire consideration amount payable to such shareholders.

9.13 Non resident shareholders should enclose a copy of the permission received by them from RBI to acquire the shares held by them in FAG India. In case the shares are held on repatriation basis, the non resident shareholder should obtain and enclose a letter from its authorised dealer/ bank confirming that at the time of acquiring the said shares, payment for the same was made by the non resident shareholder from the appropriate account (e.g. NRE a/c) as specified by RBI in its approval. In case the non resident holder is not in a position to produce the said certificate, the shares would be deemed to have been acquired on non-repatriation basis and in that case the holder shall submit a consent letter allowing the payment to be made on a non-repatriation basis in respect of the valid shares accepted under the Offer. If any of the above stated documents (as applicable) are not enclosed along with the Form of Acceptance, the shares tendered under the Offer are liable to be rejected.

9.14 In case the shares tendered in the Offer are more than the shares to be acquired under the Offer, the acquisition of shares form each shareholder will be in accordance with Regulation 21(6) of the SEBI (SAST) Regulations, on a proportionate basis.

9.15 Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholder's / unregistered owner's sole risk to the sole/first shareholder. Shares held in demat form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement or otherwise.

9.16 A schedule of some of the major activities in respect of the Offer is given below:

Activity	Date	Day
Specified Date (for the purpose of determining the names of Shareholders to whom the Letter of Offer would be sent)	December 23, 2002	Monday
Last date by which Letter of Offer to be posted to shareholders	January 13, 2003	Monday
Date of Opening of the Offer	January 20, 2003	Monday
Date of Closure of the Offer	February 18, 2003	Tuesday
Last date for a competitive bid	December 23, 2002	Monday
Last date for revising the offer price / number of shares	February 4, 2003	Tuesday
Last date for communicating rejection / acceptance and payment for accepted shares / return of unaccepted shares	March 20, 2003	Thursday

### 10. General

10.1 If there is any upward revision in the Offer Price till the last date of revision viz. February 4, 2003, or withdrawal of the Offer, the same would be informed by INA by way of Public Announcement in the same newspapers where the original Public Announcement had appeared. Such revised Offer Price would be payable to all the shareholders who have tendered their shares anytime during the Offer and have been accepted under the Offer.

10.2 In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders desirous of withdrawing their acceptances tendered in the Offer can do so up to three working days prior to the date of Closure of the Offer. The withdrawal option can be exercised by submitting the document as per the instruction below, so as to reach the Registrar of the Offer at MCS Limited, Sri Venkatesh Bhavan, Plot No. 27, Road No. 11, MIDC Area, Andheri (East), Mumbai 400 093, India either by hand delivery on all days (excluding Sundays and bank holidays): Monday to Friday - 10.00 a.m. to 1.00 p.m. and 2.00 p.m. to 4.00 p.m.; Saturday – 10.00 a.m. to 1.00 p.m. between 10.00 a.m. to 5.00 p.m. or by Registered Post, on or before Thursday, February 13, 2003.

The withdrawal option can be exercised by submitting the Form of Withdrawal. In case of non receipt of Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:

- In case of physical shares: name, address, distinctive nos., folio number, share certificate number, number of shares tendered, date of tendering the shares
- In case of dematerialized shares: name, address, number of shares tendered, DP name, DP ID, date of tendering the shares, beneficiary account number and a photocopy of the delivery instructions in "off market" mode or counterfoil of the offer of the delivery instruction in "off market" mode, duly acknowledged by the DP, in favour of the "MCS Ltd - Escrow A/c FAG India Open Offer".

### 10.3 If there is a competitive bid:

- The public offers under all the subsisting bids shall close on the same date.
- As the Offer Price can not be revised during seven working days prior to the closing date of the offers/bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.

10.4 Neither the Acquirer or its Directors nor the PAC or its Directors have acquired any shares of FAG India in the last twelve months. None of the Directors of the Acquirer and of the PAC hold any shares in FAG India as on the date of this Public Announcement.

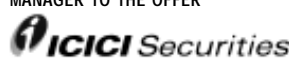
10.5 Pursuant to Regulation 13 of SEBI (SAST) Regulations, the Acquirer has appointed ICICI Securities and Finance Company Limited, as Manager to the Offer.

10.6 The Board of Directors of INA and FAG AG accept responsibility for the information contained in this Public Announcement and also for the obligations of INA as laid down in the SEBI (SAST) Regulations.

10.7 Neither the Acquirer or its Directors nor the PAC or its Directors nor FAG India or its Directors have been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act.

The public announcement will become available on the SEBI website – [www.sebi.gov.in](http://www.sebi.gov.in). Eligible persons to the Offer may also download a copy of the Letter of Offer and the Form of Acceptance-cum-Acknowledgement, which will be available on SEBI's website from the Offer opening date i.e. January 20, 2003 and apply using the same.

### MANAGER TO THE OFFER

 ICICI Securities and Finance Company Limited

41/44, Minoo Desai Marg, Colaba, Mumbai 400 005  
Tel No: (022) 2288 2460  
Fax No: (022) 2283 7045  
Contact Person: Mr. Mehul Savla  
E-mail: [mehul\\_savla@isecild.com](mailto:mehul_savla@isecild.com)

 MCS Limited  
Sri Venkatesh Bhavan,  
Plot No. 27, Road No. 11  
MIDC Area, Andheri (East),  
Mumbai 400 093  
Tel No: (022) 2821 5235  
Fax No: (022) 2835 0456  
Contact Person: Mr. Ashok Gupta  
E-mail: [mcsmum@vsnl.com](mailto:mcsmum@vsnl.com)

Issued on behalf of INA Vermögensverwaltungsgesellschaft mbH and FAG Kugelfischer Georg Schaefer AG by the Manager to the Offer.

Date: December 2, 2002

Place: Mumbai